

Article - Environment

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§15–823.

(a) After receiving notification from the Department that the application for a permit has been approved, but prior to commencing mining, the applicant shall file with the Department a bond for each mining operation, on a form to be prescribed and furnished by the Department, payable to the State and conditioned that the operator will perform faithfully all the requirements of this subtitle.

(b) The amount of the bond required shall be for a maximum of \$1,250 per acre based on the number of acres of affected land covered by the permit. But, a bond may not be filed for less than \$8,000. However, the Department shall determine whether the total bond fee is unreasonable and excessive for a particular tract of land and whether a lesser total amount for the bond is sufficient to cover reclamation. In making this determination, the Department shall consider the size of the operation, the amount of land to be mined, the acreage that is unreclaimed at any one time, the proposed method of regrading and revegetation of the site, the proposed use of the land following reclamation, and any other relevant factors.

(c) Liability under the bond shall be for the duration of the mining permit and for a period of 5 years after its expiration, unless previously released in whole or in part, as provided in § 15–824 of this subtitle.

(d) The bond shall be executed by the permittee and corporate surety licensed to do business in the State. In lieu of a corporate surety, one of the following shall be acceptable:

(1) Deposits of cash or negotiable bonds of the United States government. The cash deposit or market value of the securities shall be equal at least to the required sum of the bond. The Department, on receipt of any deposit of cash or securities, immediately shall forward it to the State Treasurer, who shall receive and hold the bond in the name of the State, in trust, for the purposes for which the deposit is made. The State Treasurer at all times is responsible for the custody and safekeeping of these deposits. The permittee making the deposit may demand and receive from the State Treasurer the whole or any portion of any securities so deposited, on depositing with the State Treasurer other negotiable securities of the classes specified in this section having a market value at least equal to the sum of the bond;

(2) A certificate of deposit if it is equivalent to the required bond, issued by a bank physically located in the State or that otherwise subjects itself to

the jurisdiction of the U.S. District Court for the District of Maryland, and accompanied by written agreement of the bank to pay on demand to the State in event of forfeit; or

(3) An irrevocable letter of credit if it is equivalent to the required bond, issued by a bank physically located in the State or that otherwise subjects itself to the jurisdiction of the U.S. District Court for the District of Maryland, and expressly states that the total sum is guaranteed to be available, and payable directly to the State on demand for the surface mining and reclamation.

(e) A bond or other security filed as above shall contain a provision that it cannot be canceled by the surety, bank, or other issuing entity, except after not less than 90 days written notice to the Department and to the permittee. At least 45 days prior to the cancellation date indicated in the notice, the permittee shall file with the Department a commitment from a surety, bank, or other issuing entity, to provide a substitute bond or other security which will be effective on the cancellation date indicated in the notice.

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